

XVI, of the Constitution of Texas; providing that the Legislature shall authorize the incorporation of banking bodies and provide for the supervision and regulation of same; providing for all of the capital stock to be subscribed and paid for before charter issued; restricting foreign corporations from doing banking business; restricting corporate business to one place.

Referred to Committee on Constitutional Amendments.

Senate Concurrent Resolution No. 12.

Senator Sulak, by unanimous consent, offered the following resolution:

S. C. R. No. 12, Granting A. J. Laas permission to sue the State of Texas, and the State Highway Department.

The resolution was read and was referred by the President to the Committee on State Affairs.

Adjournment.

On motion of Senator Van Zandt, the Senate, at 5:05 o'clock p. m., adjourned until 10 o'clock a. m., tomorrow.

ELEVENTH DAY.

(Thursday, January 28, 1937)

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by the President.

The roll was called, and the following Senators were present:

Aikin.	Oneal.
Beck.	Pace.
Brownlee.	Rawlings.
Burns.	Redditt.
Collie.	Roberts.
Cotten.	Shivers.
Davis.	Small.
Head.	Spears.
Hill.	Stone.
Holbrook.	Sulak.
Isbell.	Van Zandt.
Lemens.	Weinert.
Moore.	Westerfeld.
Neal.	Winfield.
Nelson.	Woodruff.

The following Senator was absent and excused:

Newton.

A quorum was announced present.

The invocation was offered by the Chaplain.

Reading of the Journal of the proceedings of yesterday was dispensed with on motion of Senator Aikin.

Leave of Absence Granted.

Senator Newton was granted leave of absence for today on account of illness, on motion of Senator Oneal.

Bill and Resolutions Signed.

The President signed in the presence of the Senate, after giving due notice thereof, the following bill and resolutions:

H. B. No. 69, "An Act to declare a closed season on the killing of quail and bobwhites in Van Zandt County for a period ending January 15, 1939, prescribing a penalty therefor, and declaring an emergency."

H. C. R. No. 5, Relating to adjournment of the House and the Senate for a period of more than three days.

H. C. R. No. 6, Relating to payment of expenses of the inauguration of the Governor and Lieutenant Governor.

Message From the Governor.

The President laid before the Senate, and had read, the following message from the Governor:

Austin, Texas, Jan. 28, 1937.

To the Members of the Forty-fifth Legislature:

Supplementing messages heretofore delivered, I respectfully recommend to you the following:

1.

Liquor Law Enforcement.

After slightly more than a year of efforts to regulate the liquor traffic under the present law, we are now in a position to fairly judge the defects of enforcement; and to suggest appropriate remedies. The State has secured substantial revenues from the tax on liquors; but social problems far more important are involved. Of necessity, the present law, passed in the emergency just after repeal was voted by the people, has been largely experimental. Again, necessarily, the only method of approaching satisfactory solution of these vexatious problems is the tedious process of trial and error.

We all recognize the evils inherent in the use of liquor. The peo-

ple, however, by constitutional amendment, legalized the liquor traffic; and the Legislature in obedience to that mandate adopted a State policy intended to encourage temperance and to protect local option dry areas. These purposes have not been obtained under the present law.

A.

The chief weakness in the present law is the lack of power in the Liquor Control Board to adequately compel obedience to the law by minorities engaged in the liquor traffic who are unwilling to observe the law. We need to put more teeth in it. Defiance of the law, especially by those licensed by the State, cannot be tolerated.

Experience has demonstrated that the board should be given the power in this (as in others) to speedily and effectively cancel or suspend a permit. The Supreme Court of the United States has held that the states have absolute power to regulate the liquor traffic in any manner they may see fit. In some this is done by the state monopoly system; in many others by providing that there shall be no appeal to the courts from an order of the commission refusing or canceling a permit.

Under the present law when a permit is canceled or suspended appeal can be taken to the district court; and while the matter is awaiting trial the operator is free to continue his business without interference. This has resulted in the filing of multitudinous lawsuits in various district courts throughout the country; and neither the board nor the Attorney General has sufficient attorneys to adequately represent the State. It absolutely breaks down enforcement and, consequently, respect for law.

Enforcement can be made thoroughly effective by a simple amendment to the present law providing that appeals from orders of cancellation or suspension shall not supersede such orders, but that they shall remain in full effect until the case is finally determined. The venue of such appeals to courts should be fixed in Travis County just as has been done with reference to appeals from orders of the Railroad Commission.

Please bear in mind in this connection that it is not a matter of "right" to engage in the liquor business in this State. It is a special grant, a peculiar privilege, and should exist only by sufferance of the State. The State Liquor Board represents the Legislature and the people. It is composed of able and outstanding citizens of this State accountable to the Legislature. Its official acts are entitled to every consideration; and any person engaging in the liquor business should do so with perfect willingness at all times to comply not only with the law but the orders of the commission.

B.

A great deal of dissatisfaction with reference to our present law has been brought on by failure in some sections of the State to fully enforce the law, especially in regard to sale by drink, which is expressly prohibited. This is in part due to the disposition of some local officials who regard enforcement of the liquor laws as the responsibility solely of the State Liquor Board. The present law should be amended so as to fix definite obligation upon local officials both to enforce the law and weed out undesirable applicants for permits and licenses. Local officials should be required to aid State officers when called upon.

In this connection I think it might be desirable to give to the mayor of any incorporated city or town, or the county judge of any county, the right to cancel liquor permits for the same cause, after hearing, and upon the same basis as the State Commission.

C.

Unquestionably one of the most difficult problems arising out of the present law (and concerning which the greatest interest has been aroused) is the persistence of individuals in some communities in selling hard liquor by the drink. In some communities this practice has been encouraged by the apathetic attitude of local officials and part of the citizenship. In the first prosecutions for sale by the drink in a number of counties convictions have not been secured; in others they have.

Not all of those who voted for repeal favor sale of hard liquor by the drink. Many, indeed, if not most of them, are opposed to the return of the open saloon in any form. I have no doubt, however, that other interests in cities, where convictions have been difficult to secure, have conceived the idea that by breaking down enforcement in the first year of our experience under the present law we will become discouraged and return to the old system.

There are many others who honestly believe that sale by the drink should be legalized in any community voting to authorize such sales. Regardless of our individual opinions as to the justice of local option on sale by the drink, there are many who doubt the authority of the Legislature to make such provision under the present constitutional amendment. This amendment voted by the people forever prohibits the open saloon. It is made the duty of the Legislature to define "open saloon."

Necessarily, there is a vast difference of opinion as to what constitutes an "open saloon"; and as to what the people intended by the adoption of this constitutional prohibition. Frankly, I am of the opinion that any effort by the Legislature to legalize sale of hard liquor by the drink is at least a violation of the spirit, if not the letter, of the amendment. It is my opinion (and I recognize the right of others to a contrary opinion), that in outlawing the open saloon the people intended to do away with the "joint," or gathering place, always found where hard liquors were sold by the drink. Many of these so-called "joints" were recently denounced in a report by the grand jury in Bexar County.

If the Legislature should attempt to legalize sale by the drink, even by local option, without doubt a serious legal question would arise and enforcement possibly further imperiled. It occurs to me that those who favor sale by the drink on local option would be in a far better and safer position if they submitted a constitutional amendment to let the people decide this question squarely. If the people so decide, then none of us have a right to quarrel with it.

D.

Undoubtedly in passing the present law the Legislature intended to absolutely segregate establishments selling beer for consumption on the premises from places selling spirituous liquors. It was never intended that beer dispensers should possess spirituous liquors on their premises or allow same to be consumed thereon. This practice has nevertheless become prevalent over the State. It has been a constant source of trouble. The present law should be amended so as to outlaw drinking of hard liquor on premises where beer is dispensed and bring about complete segregation on premises where beer is dispensed from places where spirituous liquors are sold.

E.

Enforcement has been hampered because of possible lack of authority of the State Liquor Control Board inspectors to enter upon licensed premises for the purpose of making public investigation and make arrests for violations, and to search for and seize liquors. In many instances the lives of the agents have been threatened, and at the present time they may not even carry a gun. The board's agents should be clothed with ample authority to enforce the liquor law. They should be given the power to make arrests and execute search warrants and issue process in liquor enforcement cases. Their authority should be limited, in my opinion, to enforcement of the liquor laws.

In this connection I have noted from the public press statements of possible consideration by the Legislature of transferring the enforcement of the liquor laws to the Department of Public Safety. I could not approve such a bill. The Public Safety Department does not have enough men. As pointed out in a previous message, they need more men for enforcement of the safety laws. The State Ranger force and the Department of Intelligence must be kept primarily engaged in war upon major and organized crime.

F.

The liquor problem is so complex, so important as to justify the separate department set-up by the Leg-

islature. It must not be confused or mixed with other departments. Considering the problem facing us at the time of repeal: liquor was shipped into Texas in wholesale quantities; no law whatever on the subject; hundreds of demands and requests of the board within twenty-four hours after its creation; multitudinous details incident to selecting, organizing and placing in the field of men to enforce the law; on the whole, the Liquor Board has done a splendid job.

Under the present law the members of the board are paid ten dollars per day for not exceeding sixty days per year. As a matter of fact, most of their time is taken away from their private business the year 'round in simply answering letters, inquiries and requests for jobs. I tell you frankly I have had extreme difficulty in persuading these gentlemen to serve on the board.

Intelligent, prompt and efficient enforcement of the liquor laws is of sufficient importance, in my judgment, to demand the undivided attention of all three members. It should be a full-time board and pay salaries of not less than \$5,000.00 per year per member. I respectfully urge the Legislature to make this a full-time board and pay adequate salaries. It simply isn't fair or right to ask the members to continue on the present basis.

The above are a number of changes that could be made in the law to tighten up collection of taxes and better carry out the will of the people. I suggest that the proper committees request the administrator and one of his legal representatives to appear before them and make more detailed suggestions based upon their experience. It might be found advisable to entirely rewrite the present law with appropriate saving clauses preserving the right of the State to prosecute any causes of action, claims, etc.

G.

The history of the liquor traffic, even since repeal, shows that in Texas, as throughout the nation, the more outlets the State licenses, the more liquor is sold and consumed. This, of course, is not the desire of Texas people. In the hasty preparation and passage of the present law,

it was made too easy to secure a license and the fees paid by the distributor were too small.

I think if this Legislature would double the present license fees it would result in decreasing the number of outlets, in less consumption of liquor and possibly in securing a more substantial type of dealer. The State will then have fewer licensed premises to police; and any unlicensed dealer in liquors will come clearly within the pale of bootlegging. Legitimate dealers will then be in a better position to demand that their local officers enforce the laws against bootlegging.

2.

Since the summer of 1933 an unparalleled wave and mania for gambling has swept over the State. Legalized gambling has given spread to even wider illegal gambling. Bookie shops, gambling houses, slot and marble machines and almost every other form of gambling has flagrantly flourished. Even the "policy racket" has made its appearance in Texas.

It is interesting to note that most of these conditions have arisen, indeed have flourished, since the passage of the race track gambling law. Book making, particularly assumed gigantic proportions after this law was passed. The stimulating effect created by actual race meets held in the State encouraged housewives, clerks, employees, business men and even public officials themselves "to play the ponies" on races run hundreds of miles away.

Undesirables have come to our State—race track touts, pickpockets, confidence men. Horses have been doped. Crooked races have been run. Bets have been paid off by bookie shops on races before they were even run.

Most of us, of course, like good clean sport. Most of us enjoy a clean horse race. But, regardless of how we feel about it, down in our hearts we know that the average person doesn't have a chance. He is bucking an unbeatable game.

In my message to the Legislature two years ago I quoted denunciations of gambling by George Washington, Franklin, Blackstone, Shakespeare and the Holy Bible. Since that time, such modernists as Arthur Brisbane and O. O. McIntyre

have joined the procession. Brisbane said that it is possible to cure a drug addict or a liquor sot, but impossible to cure a gambler; and McIntyre said that of all the gambling evils, "playing the ponies" is the worst.

Without doubt, race track gambling has had a bad effect upon business. Housewives have spent their allowances, bank clerks and employees have absconded with funds, men who formerly took pride in the fact that their credit rating was good, have become dead beats. These are not isolated cases. They are and will continue to be general.

Twice now repeal of the race track gambling law has been an issue in the Governor's race. In both instances the candidate favoring repeal has been elected Governor. Twice now repeal of the race track gambling law has been a clear cut issue and a platform demand.

Two year ago it wasn't even voted upon. In all fairness, members of the Legislature, I ask you, are we not entitled to a clear cut vote on this proposition? Whether as an individual member of the Legislature you are for or against repeal of the race track gambling law, I urge you to see that it is voted upon at this regular session. Let's dispose of it one way or the other.

I particularly urge that this law not be loaded down with other amendments. I particularly urge every member of the committees of each House before which it will be heard to be present and vote on reporting the bill favorably or unfavorably: I particularly urge each member of this Legislature to be present and vote on the question when it comes up on the floor. Surely, whether we are for or against repeal, we have the courage of our convictions. Surely we are willing to vote "yea" or "nay"; surely we are willing to stand on the record we make on this issue.

B.

Bookie shops are outlawed by the laws of Texas; but under court decisions it is indeed difficult to secure a criminal conviction. This law should be amended and made effective in many respects, but particularly provide that when it is established that a single bet upon a horse race is accepted it shall be prima facie evidence that the law was violated without requiring the state to prove

that a race was actually run somewhere else, perhaps beyond the boundaries of Texas.

There are other defects familiar to all which can be covered by simple amendments incorporated in pending bills.

C.

At present there is no law in this state against betting on dog racing. This should be prohibited as clearly and certainly as horse racing. None of us but like to see a good race, but the fact remains that both horse racing and dog racing cannot thrive, indeed cannot exist, without legalized betting in which ultimately only the professional gamblers can win.

3.

For a long time we have all talked about the necessity for consolidating various departments of the government. Many studies have been made by legislative committees. Many recommendations have been made. Like the weather, nothing has been done about it.

To effect complete governmental reorganization some constitutional amendments would have to be adopted. In the meantime, however, we can make a start at this by consolidating a number of existing departments.

I think the State Barber Board and the State Board of Cosmetology should be placed under the direction of the State Board of Health. I think the State Reclamation Engineer's Department should be consolidated with the State Board of Water Engineers.

I recommend passage of the pending bill to place the State Department of Agriculture under the direction of the Board of Directors of A. & M. College effective at the end of the present term of the present Agricultural Commissioner.

In 1933 the Texas joint legislative committee on agriculture and economy, in a general summary on page 20 says:

"The principal work of the Department of Agriculture is in the control of plant diseases, although a number of optional services are offered for which charges are assessed to pay the costs thereof. Certain law-enforcement duties also are performed, including the enforcement of

the citrus maturity, seed labeling, weights and measures, warehouse, and cotton gin laws.

* * * *

"With the exception of warehouse examinations and weights and measures inspection, the work of the department is closely related to that of the Extension Service and that of the Agricultural Experiment Station of the Agricultural and Mechanical College of Texas. More effective results could be secured at less expense if the activities in agricultural lines now performed by the department were transferred to the Agricultural and Mechanical College.

"The examination of warehouses should be made a function of the Department of Banking and sufficient fees should be collected from this work to offset the cost of examinations. The enforcement of the weights and measures laws can be handled most economically by the Bureau of Foods and Drugs of the Department of Public Health. The testing of milk and cream for butterfat content by the weights and measures inspectors can well be discontinued."

Throughout the nation state boards of departments of agriculture were in a sense forerunners of land grant colleges, experiment stations and extension services. They seemed to fill a need at a time when these services were available from no other source. With the creation of land grant colleges, the functions of state departments of agriculture have gradually been delegated to these colleges for the reason that many of their functions are unquestionably closely related. This is particularly true with the administration of regulatory laws pertaining to agriculture, such as feed control laws, fertilizer laws, fowlbrood laws, and seed and nursery inspection laws (all of which of necessity have to be closely identified with the work of the experimental stations if they are to be effectively and efficiently administered).

In a few of the states, of which Michigan and Maryland are notable examples, all of the functions of the state departments of agriculture are administered by the board of directors of the land grant institutions.

In Texas the situation is extremely confusing and inconsistent inasmuch

as a part of the regulatory work connected with agriculture is delegated by law to the Department of Agriculture and part to the Texas Agricultural and Mechanical College. The State Department of Agriculture administers the nursery inspection law, the seed law, and the citrus maturity law. The Agricultural and Mechanical College of Texas is delegated by law to administer, through the agricultural experiment station, the pure feed law, the fertilizer law, and the fowlbrood law, presumably on the assumption that these activities must be closely associated with research in order to be effectively and efficiently administered.

The fowlbrood law and the nursery inspection law constitute a notable inconsistency in that both acts require the services of trained entomologists and both, therefore, should be under the direction of the official State Entomologist, yet one of these acts is administered by the Agricultural and Mechanical College of Texas and the other by the State Department of Agriculture.

An example of duplication in educational work is evident in that the State Department of Agriculture employs personnel to do educational work in connection with pecans and other horticultural crops, while the extension service of the Agricultural and Mechanical College of Texas also employs specialists to do the same type of work.

At a later date I may have other recommendations to make for consolidations. In the meantime, I urge each member of the Legislature to carefully study this problem and lend their energies toward consolidation, coordination, efficiency and economy wherever possible.

Respectfully,

JAMES V. ALLRED,
Governor of Texas.

Account of Address by Governor.

Senator Davis submitted a news account of an address of Governor James V. Allred at Tyler, Texas, which he asked to be read.

The account was read by the Secretary, at the direction of the President.

Senator Davis moved that the account be printed in the Journal.

Senator Holbrook moved to amend the motion of Senator Davis to re-

quire also the printing in the Journal of certain excerpts from an address of Governor Allred at Waxahachie, Texas.

Senator Lemens moved to table the motion of Senator Holbrook.

The motion to table prevailed by the following vote:

Yeas—17.

Beck.	Neal.
Brownlee.	Nelson.
Burns.	Oneal.
Collie.	Pace.
Cotten.	Redditt.
Davis.	Small.
Head.	Spears.
Isbell.	Winfield.
Lemens.	

Nays—12.

Aikin.	Shivers.
Hill.	Stone.
Holbrook.	Sulak.
Moore.	Van Zandt.
Rawlings.	Westerfeld.
Roberts.	Woodruff.

Absent.

Weinert.

Absent—Excused.

Newton.

Senator Lemens moved to table the motion of Senator Davis.

The motion to table prevailed by the following vote:

Yeas—16.

Beck.	Lemens.
Burns.	Oneal.
Collie.	Redditt.
Cotten.	Roberts.
Head.	Spears.
Hill.	Sulak.
Holbrook.	Van Zandt.
Isbell.	Westerfeld.

Nays—13.

Aikin.	Rawlings.
Brownlee.	Shivers.
Davis.	Small.
Moore.	Stone.
Neal.	Winfield.
Nelson.	Woodruff.
Pace.	

Absent.

Weinert.

Absent—Excused.

Newton.

Report of Standing Committee.

Senator Redditt submitted the report of the Committee on Finance on H. B. No. 65.

Senate Bills on First Reading.

The following Senate bills were introduced, read severally first time, and referred by the President to appropriate committees as follows:

By Senator Redditt:

S. B. No. 161, A bill to be entitled "An Act making certain emergency appropriations out of the General Revenue Fund of the State of Texas to supplement appropriations made by the Regular Session of the Forty-fourth Legislature for the maintenance and administration of the Judiciary and to pay expenses of attached witnesses and witness in felony cases; to pay deficiency certificates already issued against such appropriations in the future; and declaring an emergency."

Referred to Committee on Finance.

By Senators Hill, Shivers, Van Zandt, and Sulak:

S. B. No. 162, A bill to be entitled "An Act to provide for the inspection of steam boilers; defining certain terms; requiring a permit to operate; exempting certain boilers from the provisions of the Act; providing for appointment of a Boiler Inspector and Deputies; providing for promulgation of rules and regulations by the Commissioner of Labor covering the inspection and operation of steam boilers; providing for certain hearings; providing for collection of fees for boiler inspection; providing for publication of rules and regulations; providing for penalties for failure to comply with the provisions of this Act and rules enacted pursuant thereto; for injunction after notice against violators; providing for clerical assistants and supplies; fixing salaries and creating a 'Special Boiler Inspection Fund'; making an appropriation out of the General Revenue Fund; providing a saving clause; and declaring an emergency."

Referred to Committee on Labor.

By Senator Westerfeld (by request):

S. B. No. 163, A bill to be entitled "An Act to protect trade mark owners, distributors and the public

against injurious and uneconomic practices in the distribution of articles under a trade mark, brand or name, making certain unfair and discriminatory practices unlawful, defining the duties of the Attorney General in regard thereto; providing for action to enjoin unfair competition and discrimination; making the violation of the provisions of this act a misdemeanor and providing penalties."

Referred to Committee on State Affairs.

By Senator Collie:

S. B. No. 164, A bill to be entitled "An Act to amend Articles 5483 and 5486, Chapter 5, Title 90, of Revised Civil Statutes of 1925, and declaring an emergency."

Referred to Committee on Labor.

By Senator Burns:

S. B. No. 165, A bill to be entitled "An Act making an emergency appropriation to the State Prison System at Huntsville, Texas, for the erection, construction, building, and equipping of a power plant at said Huntsville Prison, Wynne State Prison Farm, and Goree State Prison Farm, and declaring an emergency."

Referred to Committee on Finance.

By Senators Burns, Shivers, Head, Beck, Hill, Westerfeld, Spears, Lemens, Davis, Isbell, Neal, Sulak, and Collie:

S. B. No. 166, A bill to be entitled "An Act regulating the practice of submitting Special Issues in trial of civil cases in the District and County Court, and declaring an emergency."

Referred to Committee on Civil Jurisprudence.

By Senator Neal:

S. B. No. 167, A bill to be entitled "An Act validating certain bonds of cities in the State of Texas heretofore voted but not delivered; providing for the issuance of said bonds and declaring an emergency."

Referred to Committee on Civil Jurisprudence.

By Senator Brownlee:

S. B. No. 168, A bill to be entitled "An Act to create a Soldiers' and Sailors' Home in the State of Texas, providing that said home shall be operated in conjunction with the Confederate Home at Austin, Texas,

and placing the operation thereof under the supervision of the State Board of Control; providing that inmates may be discharged for admission procured by fraud or misrepresentation and determining eligibility for admission; providing for deposit of pensions or other compensation received from the United States Government with Superintendent and determining expenditure thereof, and providing that wife of ex-service man may be admitted to residence and where wife of ex-service man is admitted, then such pension or compensation received shall be deposited with the superintendent under rules and regulations promulgated by the State Board of Control for expenditure for her benefit, and providing further for the care and maintenance of inmates, and in the event of death of ex-service man, his widow may be transferred to Confederate Woman's Home at Austin, Texas, if she so desires or may remain in said Soldiers' and Sailors' Home, and providing that the Board of Control is authorized to receive donations in aid of such home, and that Superintendent of Confederate Home shall also act as Superintendent of Soldiers' and Sailors' Home, and providing that Board of Control may negotiate with the Federal Government for aid and assistance in support thereof and declaring an emergency."

Referred to Committee on Finance.

By Senators Isbell, Cotten, and Lemens:

S. B. No. 169, A bill to be entitled "An Act to declare the necessity of creating a governmental subdivision of the State to be known as 'Trinity Watershed Soil and Water Conservation District,' and other governmental subdivisions of the State to be known as 'soil and water conservation subdistricts,' to engage in conserving soil and water resources and preventing and controlling soil erosion; to establish the Trinity Watershed Soil and Water Conservation District; to establish the Trinity Watershed Soil and Water Conservation Committee and the Board of Directors of the Trinity Watershed Soil and Water Conservation District, and to define the powers and duties of the said Committee and Board; to provide for the creation of soil and water conservation subdistricts; to define the

powers and duties of soil and water conservation subdistricts, and to provide for the exercise of such powers, including the power to acquire property by purchase, gift and otherwise; to empower such subdistricts to adopt programs and regulations for the discontinuance of land-use practices contributing to soil erosion, and the adoption and carrying out of soil and water-conserving land-use practices, and to provide for the enforcement of such programs and regulations; to provide for establishing boards of adjustment in connection with land-use regulations and to define their functions and powers; to provide for discontinuance of such soil and water conservation subdistricts; to provide for financial assistance to such subdistricts, and to make an appropriation for that purpose and for otherwise effectuating the provisions of this Act; to declare an emergency requiring that this Act take effect from the date of its passage, and for other purposes."

Referred to Committee on State Affairs.

By Senator Nelson:

S. B. No. 170, A bill to be entitled "An Act providing relief for the Old Glory Rural High Common School District No. 4 of Stonewall County, Texas, in replacing buildings and equipment destroyed by a disastrous fire on December 13th, 1936; making an appropriation for said district to replace said buildings and equipment, and declaring an emergency."

Referred to Committee on Finance.

Senate Concurrent Resolutions.

Senator Redditt offered the following resolutions:

S. C. R. No. 13, Relating to suit of Chronister Lumber Company against the State Highway Department.

S. C. R. No. 14, Relating to suit of Mrs. Maude Gandy against Trinity County and the State Highway Department.

The resolutions were read and were referred by the President to the Committee on State Affairs.

Senate Concurrent Resolution No. 15.

Senator Holbrook offered the following resolution:

Whereas, On July 18, 1932 a treaty was signed by the Dominion of Can-

ada and the United States relating to the proposed St. Lawrence Waterway, which has for its purpose to provide navigation from the Great Lakes to the Atlantic Ocean with a minimum depth of twenty-seven feet, sufficient for ocean-carrying vessels; and

Whereas, This project will involve an expenditure on the part of the United States in excess of \$272,000,000, and in addition to providing the waterway named, it will provide facilities for generating 5,000,000 horse power in electric energy, of which 4,000,000 will be assigned to Canada and 1,000,000 to the United States; and

Whereas, This treaty has been largely fostered by the Dominion of Canada to build up its own shipping industries, leaving that of the United States only incidental to the main project. This fact is evidenced by the energetic manner in which the Dominion has been for the past several years engaged in the completion of the Welland Canal, which connects Lake Erie with Lake Ontario; and

Whereas, A present effort is being made to ratify such treaty which has once been defeated in the United States Senate, and if approved will not only involve the United States in a vast expenditure of money largely beneficial to the Dominion of Canada in that it will facilitate the marketing of Canadian wheat, which even now approximates seventy-five percent of the American wheat exported, all of which expenditure on the part of this government will be taxed against our people to help their greatest competitor move his wheat abroad; and the industrial workers in this country, in addition to this, will be taxed for the privilege of allowing pulpwood from Sweden and steel and iron ore from Norway and a vast number of products from Russia to be dumped in the heart of this country to the detriment and ruination of our own industries; and

Whereas, Diversion of this traffic through the Great Lakes-St. Lawrence Waterway proposed by this treaty will, in addition to these enormous expenditures on the part of the United States Government, seriously injure our established rail lines, and;

Whereas, In addition to all of this, hundreds of millions of dollars are invested in this country both upon the North Atlantic and the Gulf

Coast in building up our ports in order to facilitate the shipping of our products to foreign countries, and any advantages in the lowering of freight rates through the Great Lakes-St. Lawrence Waterway and subsidized by our government will undoubtedly give our foreign competitors a decided advantage over our American products and American producers. The effect will be an increased acreage of Canadian wheat, with corresponding lowering of American prices; and

Whereas, The gulf ports of Texas have heretofore been handling a great majority of wheat and other products produced in the middle west, which upon the completion of this proposed waterway, will be directed in that channel and will be of serious, if not disastrous consequence to all our ports; and with foreign governments establishing reprisals and restrictions against American products in retaliation against the high tariff imposed against their products. There is no record in the recent past of any American port that has been able to operate profitably; therefore

Be It Resolved, By the Senate of the State of Texas, the House of Representatives concurring, that in view of the facts related above, and the certainty of a great portion of the grain and other products of the middle west going through this proposed channel, if and when complete, that we seriously object to the approval of this treaty, and request the Secretary of the Senate, and the Chief Clerk of the House of Representatives to send a copy of this resolution to each of the United States Senators from Texas, with the request that they, and each of them, do all in their power to prevent the approval of this treaty, which in our judgment will be a serious set-back to all American ports and especially to those of the Gulf Coast region.

The resolution was read and was referred by the President to the Committee on Federal Relations.

**Senate Concurrent Resolution
No. 16.**

Senator Neal offered the following resolution:

S. C. R. No. 16, Opposing the ratification by the United States Senate of the Argentine Sanitary Con-

vention, or any measure which proposes to change the present regulations governing importations of live animals and fresh meats from any country which harbors foot and mouth diseases.

Be it resolved by the Legislature of the State of Texas:

Whereas, The present sanitary regulations prohibit importations into the United States of live animals and fresh meats from any country in which foot and mouth disease exists, and

Whereas, Such regulations were found necessary for the protection of the livestock industry after several disastrous outbreaks in the State of Texas, were found to be the result of importations from countries in which foot and mouth disease existed, and

Whereas, Federal and State Governments have spent millions of dollars in eradicating foot and mouth disease and to prevent its spread in the United States, and

Whereas, It is necessary that present regulations be maintained in order to prevent the introduction and spread of foot and mouth disease in the United States, and

Whereas, The pending Argentine Sanitary Convention proposes to modify the present sanitary regulations so as to permit importations from certain parts of Argentina which are alleged to be free of foot and mouth disease, and

Whereas, Foot and mouth disease exists, and has existed for many years in large parts of Argentina and no system of eradication is pursued and control methods are not such as to prevent its spread, and

Whereas, Importations of live animals or fresh meats from any part of Argentina would endanger the livestock industry of the United States,

Therefore, be it Resolved, by the Senate of the State of Texas, the House of Representatives concurring, That these bodies vigorously oppose the ratification by the United States Senate of the Argentine Sanitary Convention, or any measure which proposes to change the present regulations governing importations of live animals and fresh meats from any country which harbors foot and mouth disease.

Be it further Resolved, That copies of this resolution be forwarded by the Governor to the President of the United States, the Secretary of State at Washington, D. C., the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives, The Secretary of Agriculture of the United States, and the Chairman of the Foreign Relations Committee of the United States Senate.

NEAL,
BROWNLEE,
WINFIELD.

The resolution was read.

On motion of Senator Neal, and by unanimous consent, the rule requiring resolutions be referred to a committee was suspended to permit consideration of the resolution at this time.

The resolution was adopted.
(Senator Rawlings in the Chair.)

**Senate Concurrent Resolution
No. 17.**

Senator Winfield offered the following resolution:

S. C. R. No. 17, Authorizing George Wieland or his heirs or assigns to bring suit against the State of Texas and the Agricultural and Mechanical College of the State of Texas.

The resolution was read and was referred by the President to the Committee on State Affairs.

House Bill No. 65.

On motion of Senator Redditt, by unanimous consent, the rules requiring printed copies of a bill to be on the desk of each Senator 24 hours before consideration of the bill on the floor of the Senate and requiring a committee report to lie over one day before consideration of the bill reported were severally suspended, to permit consideration by the Senate of H. B. No. 65 at this time.

The Presiding Officer then laid before the Senate on its second reading and passage to third reading:

H. B. No. 65, A bill to be entitled "An Act making an appropriation of Nine Thousand (\$9,000.00) Dollars, or so much thereof as may be necessary, out of any funds in the State Treasury, not otherwise appropriated, to the State Tax Board to pay the expenses of the supervisory staff

of the State-Wide Tax Survey now being conducted in this State as a Works Progress Administration project, as approved by House Concurrent Resolution No. 5, passed by the First Called Session of the Forty-fourth Legislature, and declaring an emergency."

The bill was read second time and was passed to third reading.

Senator Redditt moved that the constitutional rule requiring bills to be read on three several days be suspended and that H. B. No. 65 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28.

Beck.	Pace.
Brownlee.	Rawlings.
Burns.	Redditt.
Collie.	Roberts.
Cotten.	Shivers.
Davis.	Small.
Head.	Spears.
Hill.	Stone.
Holbrook.	Sulak.
Isbell.	Van Zandt.
Lemens.	Weinert.
Moore.	Westerfeld.
Neal.	Winfield.
Nelson.	Woodruff.
Oneal.	

Nays—1.

Aikin.

Absent—Excused.

Newton.

H. B. No. 65 was then laid before the Senate, on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—29.

Beck.	Pace.
Brownlee.	Rawlings.
Burns.	Redditt.
Collie.	Roberts.
Cotten.	Shivers.
Davis.	Small.
Head.	Spears.
Hill.	Stone.
Holbrook.	Sulak.
Isbell.	Van Zandt.
Lemens.	Weinert.
Moore.	Westerfeld.
Neal.	Winfield.
Nelson.	Woodruff.
Oneal.	

Nays—1.

Aikin.

Absent—Excused.

Newton.

Adjournment.

On motion of Senator Van Zandt, the Senate, at 11:30 o'clock a. m., adjourned until 10 o'clock a. m., tomorrow.

APPENDIX.

Report of Standing Committee.

Committee Room,
Austin, Texas, Jan. 28, 1937.
Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Finance, to whom was referred

H. B. No. 65, A bill to be entitled "An Act making an appropriation of Nine Thousand Dollars (\$9,000.00), or so much thereof as may be necessary, out of any funds in the State Treasury not otherwise appropriated, to the State Tax Board to pay the expenses of the supervisory staff of the Statewide Tax Survey now being conducted in this State as a Works Progress Administration project, as approved by H. C. R. No. 5, passed by the First Called Session of the Forty-fourth Legislature."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

REDDITT, Chairman.

TWELFTH DAY.

(Friday, January 29, 1937)

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by the President.

The roll was called, and the following Senators were present:

Aikin.	Holbrook.
Beck.	Isbell.
Brownlee.	Lemens.
Burns.	Mbore.
Collie.	Neal.
Cotten.	Nelson.
Head.	Oneal.
Hill.	Pace.

Rawlings.	Van Zandt.
Redditt.	Weinert.
Roberts.	Westerfeld.
Small.	Winfield.
Stone.	Woodruff.
Sulak.	

The following Senators were absent and excused:

Davis.	Shivers.
Newton.	Spears.

A quorum was announced present.

The invocation was offered by the Chaplain.

Reading of the Journal of the proceedings of yesterday was dispensed with, on motion of Senator Roberts.

Leaves of Absence Granted.

Senator Spears was granted leave of absence for today on account of important business, on motion of Senator Isbell.

Senator Shivers was granted leave of absence for today on account of important business, on motion of Senator Hill.

Senator Newton was granted leave of absence for today on account of illness, on motion of Senator Van Zandt.

Senator Davis was granted leave of absence for today on account of illness, on motion of Senator Pace.

Reports of Standing Committee.

Reports on Senate Bills Nos. 1 and 116 were submitted by the chairman of the committee to which they were referred. (See Appendix for reports in full).

Senate Bills on First Reading.

The following Senate bills were introduced, read severally first time, and referred by the President to appropriate committees, as follows:

By Senator Small:

S. B. No. 171, A bill to be entitled "An Act amending Article 7064, Revised Civil Statutes, 1925, as amended by Acts of 1936, Forty-fourth Legislature, Third Called Session, H. B. No. 8, Article 4, Section 5; levying a tax upon foreign assessments life and casualty companies and providing that foreign assessments life and casualty companies admitted to do business in Texas un-